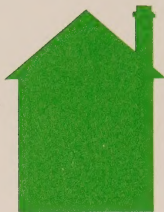


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# BUYING REAL ESTATE





Buying a home or property is one of the most important financial decisions of a lifetime. Because they are important, you should make decisions only after the most thorough investigation.

To help you, the Real Estate Section of Ontario's Department of Financial and Commercial Affairs, which licenses all real estate brokers and salesmen in Ontario, offers these guidelines:

## BUYING A HOME

- Examine the **complete** money commitment, including initial costs, such as down payment, mortgage brokerage commission fee, insurance costs, legal fees, prepayment of property taxes and moving costs. In addition, examine your continuing costs, such as principal and interest payments on mortgages, insurance payments, property taxes, local improvement levies and maintenance costs. Consider the costs of day-to-day transportation if the house is a long way from where you work.
- Make sure that every detail which is important to you — or which bears on the matter of the property being sold — is contained in the offer of purchase and sale.
- Inspect the site of the house personally. Do it thoroughly. If possible, have it evaluated by a professional appraiser.
- Consider its relationship to other houses and to commercial and industrial developments. Examine the neighbourhood, find out about schools, shopping, transportation.
- Visit the municipal offices of the area. Find out, for example, if you can rent rooms or if you can carry on a business in the home. Check for future planned development according to local planning studies.
- Don't make a written offer and don't sign anything until you have consulted with your lawyer and you are satisfied at least on the above points.

- After the offer is submitted, ensure that your lawyer searches the title to make sure that it is free and clear of any encumbrances (such as unpaid taxes, liens, mortgages and other claims).
- It is not advisable for you — the buyer — to use the same lawyer as the seller.

## **INCOME PROPERTY**

If you are planning to buy “income property” such as a duplex, small apartment building, store building — whether or not you plan to live on the premises — follow the same rules. In addition, obtain statements of income and expenses.

## **PROPERTY OUTSIDE ONTARIO**

The Ontario real estate market is attracting many developers offering land outside Ontario. Some actively promote the sale of their lots and condominiums through newspaper ads and dinner parties.

Before such developers can do business in Ontario, they are required by provincial laws to file a Prospectus of the property with the Registrar of Real Estate and Business Brokers and receive a Certificate of Acceptance.

The developer is also required, when marketing his land, to deliver a copy of the prospectus to each prospective buyer in Ontario. Read the prospectus before signing a sales agreement.

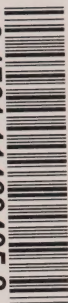
The Government’s function is not to endorse or approve the land as an investment, but rather to require disclosure of material facts concerning the property to the buyer in order that he can make an informed decision whether or not to buy.

Before you consider any out-of-province land or condominium purchase, check with the Registrar’s office, 555 Yonge Street, Toronto to determine that the seller is registered. Most important, make sure that you receive a copy of the prospectus from the developer or his sales agent.

Read the prospectus carefully and, before signing any contract, consult with your lawyer.



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For more information contact:

The Registrar

Real Estate & Business Brokers Section

Ontario Department of Financial and Commercial Affairs

555 Yonge Street

Toronto 5, Ontario

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Ontario Department of Financial and Commercial Affairs



Hon. Bert Lawrence, Q.C., Minister

F. J. Pillgrem, Deputy Minister

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